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FM AMEMBASSY LUANDA  
TO SECSTATE WASHDC IMMEDIATE 5336  
INFO SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE  
HOMELAND SECURITY CENTER WASHDC  
DEPT OF COMMERCE WASHDC  
FAA NATIONAL HQ WASHINGTON DC  
DEPT OF EDUCATION WASHINGTON DC  
HQ USAFRICOM STUTTGART GE  
DEPT OF TRANSPORTATION WASHDC  
SECDEF WASHINGTON DC  
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C O N F I D E N T I A L LUANDA 000107

STATE PASS TO USAID, USTR, EX-IM BANK AND PEACE CORPS

E.O. 12958: DECL: 02/17/2019  
TAGS: [PREL](#) [PGOV](#) [EAIR](#) [MARR](#) [ECON](#) [ETRD](#) [EFIN](#) [EAID](#) [AO](#)  
SUBJECT: CONCERNED OVER ECONOMY, DOS SANTOS PRAISES  
BILATERAL PROGRESS AND SEEKS FURTHER U.S. ASSISTANCE

Classified By: Ambassador Dan Mozena for Reasons 1.4 (b) and (d).

¶1. (C) Responding to remarks made by Ambassador Mozena during a February 17 call, President Jose Eduardo Dos Santos agreed that the U.S. and Angola have made significant progress over the past year in strengthening our bilateral ties, especially in the areas of health and military-to-military cooperation. The President said much remains to be done, however, and singled out finalizing the U.S.-Angola Trade and Investment Framework Agreement (TIFA) as a key next step. Dos Santos said the global economic crisis makes for tough times in Angola, just when the country needed economic stability. Dos Santos strongly appealed for U.S. technical assistance for the Ministry of Finance and the Central Bank, especially in the areas of debt management and budgeting. The Ambassador asked for the President's assistance in securing permission for Delta Airlines to fly into Angola and in moving forward the U.S.-Angola Memorandum of Understanding on Military Cooperation. The Ambassador also raised the possibility of a Peace Corps program in Angola to teach English in secondary schools. The President acknowledged Angola's need for increased English-language training and said he would ask the Minister of Foreign Affairs to look into the possibility of requesting a Peace Corps program in Angola. The Ambassador expressed his hope that the new government in Zimbabwe will bring relief to the Zimbabwean people; he urged that Angola press Mugabe to abide by the power-sharing arrangement. Dos Santos agreed, adding that Angola is looking to South Africa for immediate economic assistance for Zimbabwe, which could lead to regional and international support. End Summary.

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Looking Sharp - Very Engaged  
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¶2. (C) The February 17 meeting was cordial and comfortable, allowing for an exchange of views on improving the bilateral relationship. The President looked to be in great health, and, despite the grim economic news swirling around the country, he was relaxed, engaging, and offered considered thoughts on all issues raised by the Ambassador. Dos Santos was accompanied by a notetaker and translator, though he required no translation from the Ambassador's English. Dos Santos did not take notes himself, but after the Ambassador's remarks, the President responded to each of the Ambassador's key points, explaining policy and committing to undertakings as appropriate, with an impressive attention to the interdependence of issues related to diversifying Angola's economy and improving the standard of living for Angolans. There was no reference at all to the civil war or previous chapters of the bilateral relationship that were more challenging than others. This was a very forward-leaning meeting with a President on top of his political game.

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¶3. (C) Dos Santos thanked Ambassador Mozena for his work with the GRA toward our countries' shared vision of an Angola that is peaceful, prosperous, secure, healthy and democratic. The President praised President Bush for his administration's efforts in Africa to fight malaria and HIV/AIDS and expressed hope that the new American administration would expand on these initiatives. Dos Santos said he supported the efforts to establish an office of the Foreign Commercial Service in Angola and noted the work of the U.S. Ex-Im Bank and others toward the GRA's goal of building one million houses by 2012, a goal he admitted was beyond reach, but useful to aim for.

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Economy a Weighing Concern

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¶4. (C) Dos Santos told the Ambassador that tough times are ahead for Angola and that his administration will soon be facing difficult decisions. Leaning eagerly forward in his very big chair, Dos Santos asked the Ambassador how long he thought it likely will take for the Obama administration's stimulus package to turn around the U.S. economy, adding that if the global crisis lasts for more than six months, Angola will be very hard pressed. The Ambassador responded that while U.S.-based economists suggest it may take a year or more to recover from the current slowdown, Angola is more fortunate than most other African countries given its resource wealth and foreign reserve fund. Dos Santos was rather dismissive of that consolation, saying his country was "praying" for a fast recovery. The President asked the Ambassador for an update on the signing of the TIFA, adding that the agreement will be an important step toward increasing and diversifying bilateral trade.

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Ambassador Requests Help for Delta Airlines

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¶5. (C) Linking direct air service to increased and more diverse bilateral economic opportunities, the Ambassador asked for Dos Santos's help in securing permission for Delta airlines to serve the Atlanta-Luanda market with twice weekly service beginning in June or September. The Ambassador explained that tying Delta's approval to granting TAAG U.S. operating authority would significantly delay Delta's service and postpone the associated economic benefits of beginning direct U.S. flights on America's largest carrier. Dos Santos said he would ask the Minister of Transportation and the Director of the National Institute for Civil Aviation (INAVIC) to provide a report to him concerning Delta's case. The President said he shared the Ambassador's hope that someday TAAG would fly to the U.S. safely and asked if the U.S. FAA could help TAAG and INAVIC move toward eventual Category I compliance.

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Angola Needs English Language - Maybe Peace Corps Can Help

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¶6. (C) Ambassador Mozena told the President that, while the Embassy has a growing English-language program, Angolans continue to reach out for additional assistance in learning English. Dos Santos agreed that Angola needs more English-language training, pointing out Angola's position in SADC, where lack of English skills can sometimes be a significant barrier. The Ambassador suggested that Peace Corps volunteers could teach English at the secondary level in Angola, and on the side could help in the fight against malaria and HIV/AIDS. The President said Peace Corps in Angola is not a new concept, adding that his government's ministers viewed the program skeptically when the issue was raised during the 80's. Noting that times have changed, Dos Santos said he would ask the Minister of Foreign Relations to review the possibility of Angola's participation in Peace Corps, suggesting the focus on English language training is a

different angle than previously considered. The Ambassador offered to provide additional information to Minister Dos Anjos and suggested that perhaps GRA officials could visit a Peace Corps operation in a neighboring country - an idea supported by the President.

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Dos Santos Pleased With Expanded Military Cooperation  
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¶7. (C) Dos Santos told the Ambassador he was pleased with the improvement of the U.S.-Angola bilateral military relationship. He opined that Minister Paihama's proposal to move forward with a bilateral Memorandum of Understanding on Military Cooperation will lead to a more robust relationship. Repsponding to the Ambassador's comments, he expressed appreciation for U.S. military participation in providing English-language training, ship visits, and assistance in fighting HIV/AIDS. Dos Santos said he was also pleased the U.S. is developing programs to assist Angola in enhancing its maritime and airspace security, as suggested by the Angola's Chief of Military Staff Gen. Francisco Furtado during the visit of AFRICOM Deputy Commander Mary Yates. Dos Santos committed to inquire with the Ministry of Defense about the status of the MOU.

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Zimbabwe  
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¶8. (C) When the Ambassador expressed his hope that the new government in Zimbabwe might bring some relief to the people of Zimbabwe, Dos Santos said, "This is a time of expectations." Dos Santos added that economic recovery for Zimbabwe is a key concern for SADC and that South Africa will be a leader in helping Zimbabwe get back on its feet. As the Zimbabwean government demonstrates results, Dos Santos said the international community will be able to help speed Zimbabwe's recovery. The Ambassador emphasized that Angola could play a very constructive role in pressing Mugabe to comply with the power-sharing arrangement. Dos Santos agreed and said Angola will remain engaged on the Zimbabwe crisis.

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Comment  
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¶9. (C) Dos Santos was impressive in his command of the issues and the discipline of his message. That he undertook to learn more about Delta airlines, the military-to-military MOU, and the Peace Corps is encouraging, as his involvement, judging by prior applications of presidential interest, generally leads to more speedy action in this government. Our homework is important as well. Dos Santos all but begged for a U.S. Department of the Treasury Resident Advisor - a request the USG should approve as quickly as possible, given the dire need and potential benefits to both governments of having a U.S. expert(s) inside the Ministry of Finance and/or Central Bank. We should move forward quickly, as well, on signing the TIFA. Dos Santos views the TIFA as the starting point for an expanded trade relationship - despite considerable Angolan foot-dragging at the onset of negotiations, the ball is now in our court. End Comment.

MOZENA